Fiscal Services Division

Legislative Services Agency Fiscal Note

HF 798 - Family Law Proposal (LSB 1075 HV)

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Fiscal Note Version - New

Description

House File 798 relates to family law provisions including dissolution of marriage and domestic relations, termination of parental rights, and child support provisions. The Supreme Court must prescribe rules for parenting plans and the Clerks of District Court must furnish the forms to the specified parties by December 1, 2005. Beginning January 1, 2006, parties to a dissolution of marriage that involve a minor child must provide a parenting plan within 90 days and a temporary or final decree will not be granted until both parties have complied.

Background

- 1. In calendar year 2004, the Judicial Branch handled 10,058 dissolution of marriages and 2,123 applications for modification of a dissolution decree.
- 2. The average time the Judicial Branch spends on a family law case is 103 minutes or \$240 per case.
- 3. The Department of Human Services (DHS), Child Support Recovery Unit (CSRU) will enforce the order for child support for a fee of \$25. If there is no order for child support, there is no child support to collect.
- 4. The CSRU collects \$2,143 per child support order annually in nonpublic assistance cases. The CSRU collects \$1,977 per order annually in public assistance cases.
- 5. Federal Title IV-D child support law does not pay federal matching reimbursement for work not covered in the State's child support plan. Any work the CSRU is required by State law to perform under the Bill would be at 100.0% State cost.

Assumptions

- 1. A six month lag is assumed from the time of implementation to the time the first cases are heard by the Judicial Branch.
- 2. The overall Judicial Branch planning costs for parenting plans are estimated to be \$14,000, which includes the creation of a 12-member special task force, a consultant, and Supreme Court review of the rules.
- 3. Approximately 60.0% (7,200) of the cases for dissolution of marriage and modification of a dissolution decree involve children.
- 4. House File 798 is estimated to increase the amount of time the Judicial Branch spends per case by approximately five minutes per case for each additional parenting plan filed for the Judge to review for compliance.
- 5. If the parenting plans or any element of the plans are contested by one of the parties, this will add an additional 15 minutes of court time. It is estimated that 10.0% of the 7,200 cases will be contested in some fashion.
- 6. For federal auditing purposes, the CSRU would conduct an annual study to document the staff and computer time related to the State parenting plan form.
- 7. The DHS would have a one-time programming cost for adding parenting plans to the Statewide Integrated Child Support Recovery computer system.
- 8. House File 798 requires that the Judicial Branch cannot enter a final order until both parties have completed the parenting plan form. This may result in a loss of child support collections and may affect the Family Investment Program (FIP) recoveries. The number of

- parents who would fail to file is unknown at this time. It is unknown at this time how many calls or visits the CSRU will receive from parents regarding the parenting plan form and items on the form such as custody and visitation.
- 9. Since the CSRU is included as one of the parties to the action, there would be additional workload relative to the parenting plans. However, the Bill was not intended to include the CSRU in the drafting of the parenting plans. The estimate below assumes an additional three minutes per case.

Fiscal Impact

The total fiscal impact of HF 798 on the General Fund is \$107,500 in FY 2006 and \$157,000 in FY 2007 as shown below:

| | FY 2006 | | FY 2007 | |
|------------------------------|---------|---------|---------|---------|
| Judicial Branch | | | | |
| Clerk Processing Time | \$ | 19,500 | \$ | 39,000 |
| Court Time | | 45,000 | | 90,000 |
| * Court Planning Costs | | 14,000 | | 0 |
| Total | \$ | 78,500 | \$ | 129,000 |
| Department of Human Services | | | | |
| CSRU Study | \$ | 1,500 | \$ | 3,000 |
| Child Support Recovery Unit | | 12,500 | | 25,000 |
| * Computer Programming | | 15,000 | | 0 |
| Total | \$ | 29,000 | \$ | 28,000 |
| Overall Impact of HF 798 | \$ | 107,500 | \$ | 157,000 |

^{*} One-time costs

Sources

Department of Human Services Judicial Branch

/s/ Holly M. Lyons

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, <u>Code of Iowa</u>. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.